PURCHASING SYLLABUS AND KEY NOTES

COURSE NUMBER PO3   DURATION ½ DAY

TITLE: CORE RECEIPTS

Classroom Protocol

1. *Attendance*
2. *Housekeeping and Facility Rules*
3. *Introductions*
4. *Classroom Activity Overview*
5. *Class Duration*
6. *Items to be brought to class by Student*

New Definitions

This section identifies new terms that will be used in the classroom.

Account: The account is a ChartField used to record costs. The account types used in Edison are asset, liability, equity, expense and revenue.

Business Unit: The number assigned to an agency.

Change Request: A Requester may create a Change Request on those Requisitions tied to Purchase Orders which have already been dispatched. Change Requests require approval. Upon approval, a Buyer applies the change request to a Purchase Order to create a change order. See **Change Order**.

Change Order: When a Buyer updates a Purchase Order that has been dispatched, the Purchase Order is appended to a change order. Change Orders require the Purchase Order to be re-dispatched to the Vendor.

Dispatch: The action of sending a Purchase Order to the Vendor for fulfillment. It is only after dispatching, that items from the Purchase Order be received and noted on a Receipt.

Distribution: General term for a group of information on the Requisition or Purchase Order, containing information about how the item quantity is to be charged and what the internal delivery location is. Distributions contain information for Inventory, Project Costing, and Asset Management. You can have more than one distribution for each schedule.

Due Date: The date the items are scheduled to arrive at the Ship To location.

Header: General term for a group of information on the Requisition or Purchase Order, which includes the Business Unit, Requestor or Buyer, date, and status. All header information for a document pertains to the entire document.

Item: Items are identifiable for the system by their item ID. This ID is automatically generated by the system.

Example 1: Catalog Item

Currently, in TOPS, a black pen is ordered having the Commodity Code (TCC) #123-45-666666. With EDISON, that same black pen is ordered by browsing through the Categories. For example, category OFFICE SUPPLIES, with a Category Code (NIGP Code) #123-45. The pen is selected and has an item ID #000000000000666666.

Example 2: Contract Item

Currently, there is a black pen given TCC #123-45-000000 as it's non-Contractual, and transforms into item TCC #123-45-666666 once it becomes "statewide Contracted." With EDISON, that item is created with an item ID #000000000000666666 and does *not change* whether it's status changes to "statewide Contracted" or not.

Line: General term for a group of information on the Requisition or Purchase Order, and includes item ID, item description, category, and quantity. See **Schedules** and **distributions** which are accessed through the Requisition or Purchase Order line.

Price: The price per unit in *USD* for an item or service.

Purchase Order: This is a document issued to a Supplier for goods/services. Within Edison, Purchase Orders are composed of a tree structure whose key components include a header, lines, schedules, and distributions. A Purchase Order is identifiable in Edison by a PO ID that is unique for each Business Unit. In accounting terms, after a Purchase Order is approved, a commitment to spend (encumbrance) is generated and sent to the General Ledger. If the Purchase Order was created from a contract release, the Purchase Order decrements the contract. Note: Purchase Orders in Edison refers to *any* Purchase Order, not only those Purchase Orders related to TOPS.

Reconciliation Workbench: Using the Reconciliation Workbench, it is possible to override the system to cancel and close Requisitions.

Requisition: Requisitions in Edison are a means of ordering goods and services. Requisitions are entered by Requesters on an as-needed basis. After a Requisition is submitted, it may be routed to an approver for approval, after which, it is then routed to a Buyer. The Buyer will review the Requisition and

source the Requisition to Inventory or to a Purchase Order for dispatch to the Vendor. Remember, a Requisition refers to *any* Requisition, not only those requests related to TOPS.

RMA (Return Material Authorization): Identifier used by Vendors to indicate a user has been authorized by a company representative to return a product to the Vendor for repair or refund. A RMA Number is similar to a tracking number in that it identifies a transaction, and both parties can get information on the progress of the transaction by using the RMA Number. A practical reason for using an RMA Number is that Vendors want the customer to contact them before simply returning a product for repair or refund because the problem may be remedied during the live interaction with the company's representative. The issuance of a RMA often is the last resort when the problem with the product cannot be rectified.

Schedule: Every Requisition and Purchase Order line has one or more due dates and external delivery locations carried on a schedule. A schedule should be created for each unique delivery address and due date.

Ship To: The location code that indicates the location where the Vendor should deliver the items or provide the service.

Sourcing: A process which stages, or copies, purchase request data onto the PO staging tables for further processing and fulfillment.

Module Discussion(s)

Several other modules interact with Purchasing by receiving, giving or sharing data used by Purchasing. The primary modules included are listed below:

Asset Management: Receives asset information, capitalization of assets at point of Receipt, and process modifications to existing assets from Purchasing.

Content Management: Purchasing receives item information and categorization as well as user and requestor assignments from Content Management.

eProcurement: There is close integration between eProcurement and Purchasing as they share common information, such as items. Both modules create Requisitions, Purchase Orders (POs), Receipts, and other transactions that are stored together and shared together. Most buyers will operate within the purchasing module. Receiving functions will be performed within Purchasing.

eSupplier Connection: Receives information from Purchasing for reviewing Purchase Order acknowledgments, Purchase Order schedules, Receipt inquiries, and Vendor address and contact information.
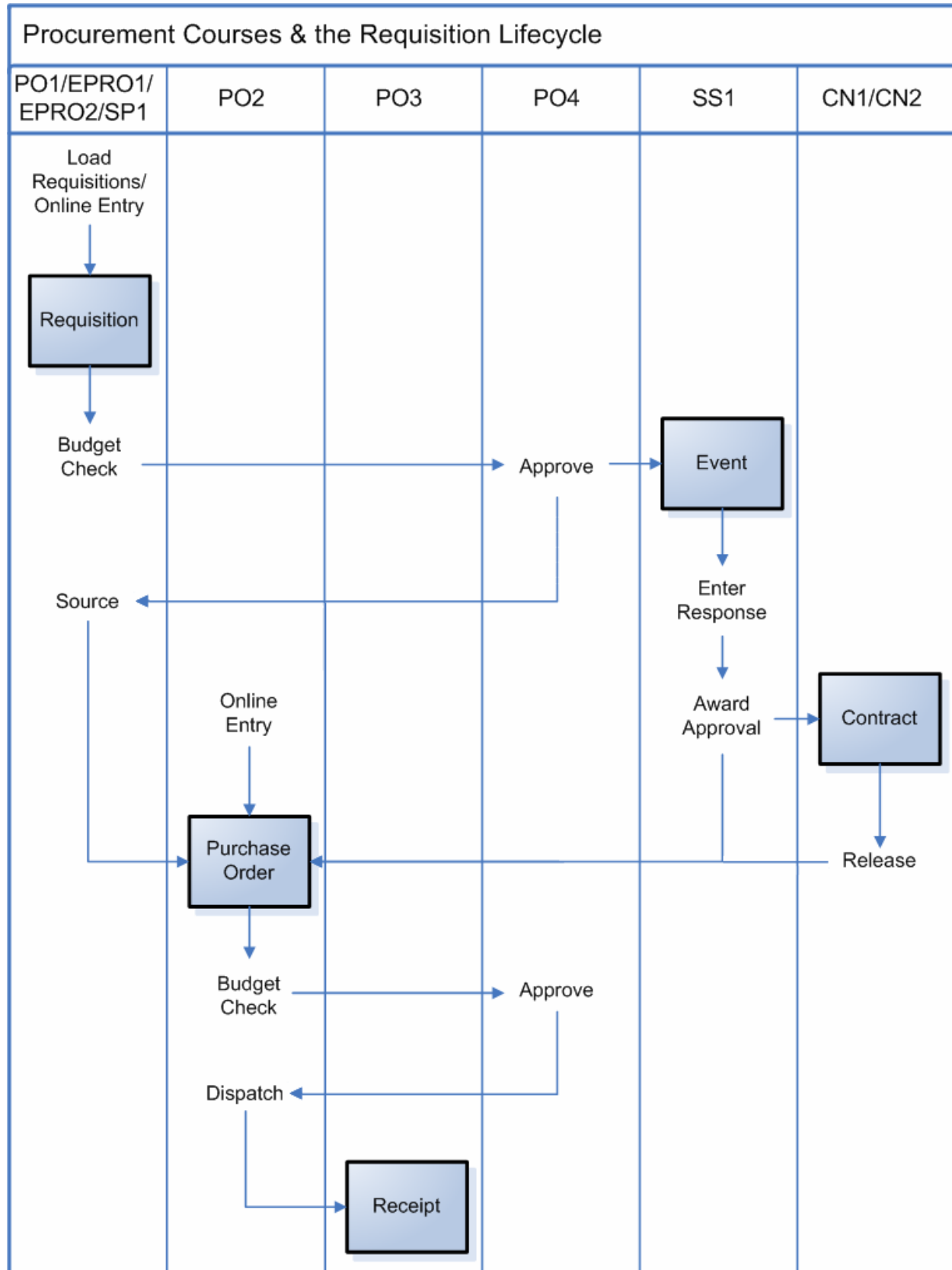
General Ledger: Accounting entries generated from the Receiving Accrual process will be pushed to the General Ledger module.

Inventory: There is close integration between Inventory and Purchasing. Purchasing receives information from inventory and allows users to fill Requisitions from inventory stock. Receipts with inventory items are processed for Inventory Putaway.

Payables: Purchasing specifically affects Vouchers, which are able to be matched with all Purchase Orders and Receiver details, and debit memos which are automatically generated for goods returned to a supplier. Returns to Vendors may generate credit memos to be applied in Payables. Also, the three-way matching process will not generate payment for those invoices including items where receiving is required and not Receipts are found.

PROCUREMENT INTEGRATION

To see how the class compares to other classes within Edison's procurement process, view the diagram on the next page:

Procurement Courses & the Requisition Lifecycle

PO1/EPRO1/ EPRO2/SP1	PO2	PO3	PO4	SS1	CN1/CN2

Load Requisitions/ Online Entry

Requisition

Budget Check → Approve → Event

Source ←

Enter Response

Online Entry

Award Approval → Contract

Purchase Order

Release

Budget Check → Approve

Dispatch ←

Receipt

Course Lesson 1: Creating Receipts

Topic Discussion

Edison allows you to create one Receipt that includes delivery of multiple Purchase Order items or many Receipts that include partial delivery of items from one Purchase Order. This lesson provides an overview of receiving goods and services and discusses how to receive goods and services.

By the end of this lesson you will be able to:

1. Creating a Non-Purchase Order Receipt
2. Creating a Receipt with an Asset

Key Notes:

- When creating a non-Purchase Order Receipt, if the Vendor is not already defined in Edison, contact your agency fiscal office to setup the Vendor in Edison prior to entering the Receipt.
- It is highly recommended to ensure that all required information is entered when receiving Assets.

Topic Learning Activities

1. *Creating a Non-Purchase Order Receipt*
2. *Creating a Receipt with an asset*

Topic Learning Exercises

1. *Creating a Non-Purchase Order Receipt*

Topic Learning Self-Assessment

None

Course Lesson: Managing Receipts

Topic Discussion

Receivers can manage and update their Receipts. Among other functions, Edison gives Receivers the option to place a Receipt on hold. You can either place the entire Receipt on hold, or place a specific Receipt line on hold. Placing a Receipt or Receipt line on hold changes the Receipt or Receipt line status to *Hold* and does not allow the Edison Inventory module to putaway the Receipt lines, nor does it allow Edison Payables module to create a payment, nor does not it allow any asset Receipt lines to move to the Edison Asset Management module.
By the end of this lesson you will be able to:

1. Placing a Receipt on Hold

Key Notes:

- A Receipt may be placed on hold upon Receivers' discretion at any time. Receivers must ensure to clear the hold status of a Receipt to allow further processing.

Topic Learning Activities

1. *Placing a Receipt line on hold*

Topic Learning Exercises

1. *Placing a Receipt line on hold*

Topic Learning Self-Assessment

1. *Placing a Receipt line on hold*

Course Lesson: Processing Inspections

Topic Discussion

The Edison Purchasing module allows Receipts to be selected for inspection. In this lesson, you will learn to process Receipt line items that have been flagged for inspection to go through the inspection process. To be eligible for inspection, an item on the Receipt line must be defined as requiring inspection. Items may be flagged for inspection on the following pages:

- Item Categories
- Item Purchasing Attributes
- Purchasing Business Unit Attributes
- Requisition Line Details
- Purchase Order Line Details

The item Receipt does not have to be related to a Purchase Order to be eligible for inspection.
By the end of this lesson you will be able to:

1. Inspect a Receipt

Key Notes:

- Non-Purchase Order Receipt lines may be eligible for inspection.
- Payment will occur only after inspection is complete for items flagged for inspection.

Topic Learning Activities

1. *Inspecting Receipts*

Topic Learning Exercises

1. *Inspecting Receipts*

Topic Learning Self-Assessment

1. *Inspecting Receipts*

Course Lesson: Processing RTVs

Topic Discussion

Occasionally, shipments received from Vendors arrive with damaged items, defective items, over shipped items, or items shipped in error. In such cases, you need an organized way to track shipments or parts of shipments that are being returned to the Vendor. Edison enables you to determine the quantity that is to be returned, the reason for the return, the method of return, the cost to you and the Vendor, and what you want from the Vendor as a result of the returned goods. It is not necessary to print a RTV, however, the Edison Purchasing module provides you with this optional functionality.

By the end of this lesson you will be able to:

1. Entering and Shipping a RTV
2. Printing a RTV
3. Dispatching a RTV
4. Running the RTV Reconciliation process

Key Notes:

- The RTV business process supports three types of return actions: return for credit, return for exchange, and return for replacement. You can make these types of returns against closed Purchase Orders:

    1. *Return for Credit*: A return for credit involves returning the items to the Vendor without requesting replacements. When you designate a RTV as a return for credit, you can elect to have the system automatically create a debit memo, eliminating the need for manual intervention. Note: A return for credit is not available for Receipts which originate from a Purchase Order that is using a P-card as the payment method.

    2. *Return for Exchange*: This type of return indicates that a different item is being substituted in exchange for the original item ordered. When you return an item for exchange, the return portion of the exchange is handled like a return for credit. Then, manually enter the order portion of the exchange on a Purchase Order. You can order the item on a new Purchase Order or on a new line of an existing Purchase Order. The return for exchange remains open in the system until it is matched with the new Purchase Order or new Purchase Order line. Note: A return for exchange may also be made against a closed Purchase Order.

    3. *Return for Replacement*: This type of return indicates that the Vendor is shipping the same items to replace the original returned goods. You will then receive these replacements against the original Purchase Order.

- Every RTVs will have one of the following statuses:

    1. *Open*: This status appears by default when the vendor return is initiated. An *Open* status designates that one or more RTV lines are open.

    2. *Shipped*: Once all of the distributions for a line are in *Shipped* status, the line status changes to *Shipped*. A line is considered shipped when the line's shipped quantity equals the returned quantity. When all of the lines are in

Shipped status, this header status changes to *Shipped*. Once the header is in *Shipped* status, you can no longer select the RTV for this function.

3. *Closed*: All of the RTV lines have been closed by the RTV Reconciliation process.
4. *Canceled*: All RTV lines have been canceled.

- Only RTVs with a Shipped status are eligible for the RTV Reconciliation process.
- A closed RTV is no longer retrieved in search results, or available for updates. Closed RTVs are viewable using the RTV inquiry pages.
- If the Vendor return is against an Asset Receipt, an asset retirement transaction is sent to the Edison Asset Management module.

Topic Learning Activities
1. *Entering and Shipping a RTV*
2. *Printing a RTV*
3. *Dispatching a RTV*
4. *Running the RTV Reconciliation process*

Topic Learning Exercises
1. *Entering and Shipping a RTV*

Topic Learning Self-Assessment
None

Course Lesson: Viewing and Inquiring on RTV's

Topic Discussion

In this lesson, you will learn how to run a sample report. The Edison Purchasing module provides multiple reports and inquires for you to view RTV information:

1. *Review RTVs*: View detailed RTV information.
2. *RTV Document Status*: Access and review information about procurement documents associated with a Receipt.
3. *RTV Details Report*: View the vendor's return address, shipping method, and line item return information.
4. *RTV Credits Report*: Provides details of TRV transactions, sorted by Vendor and RTV ID. This report also lists the Buyer, line details, and the distribution information. Totals are provided for each RTV ID and Vendor.

By the end of this lesson you will be able to:

1. Reviewing RTV details

Topic Learning Activities

1. Run the RTV Details report

Topic Learning Exercises

None

Topic Learning Self-Assessment

None

Course Review with Question and Comments

Questions and Comments

Evaluation